

(2) *proceeds of property taken on eminent domain proceedings;*

(3) *proceeds of insurance upon property forming part of the principal except proceeds of insurance upon a separate interest of an income beneficiary;*

(4) *stock dividends, receipts on liquidation of a corporation, and other corporate distributions as provided in §6;*

(5) *receipts from the disposition of bonds or other obligations for the payment of money, and ground rents, as provided in §7;*

(6) *royalties and other receipts from disposition of natural resources as provided in §9;*

(7) *receipts from other principal subject to depletion as provided in § 10;*

(8) *any profit resulting from any change in the form of principal;*

(9) *any allowances for depreciation established under §8 and §11 (a) (2).*

(c) *After determining income and principal in accordance with the terms of the trust instrument or of this Article, the trustee shall charge to income or principal expenses and other charges as provided in §11.*

4.

(a) *An income beneficiary is entitled to income from the date specified in the trust instrument, or if none is specified, from the date an asset becomes subject to the trust. In the case of an asset becoming subject to a trust by reason of a will, it becomes subject to the trust as of the date of death of the testator even though there is an intervening period of administration of the testator's estate.*

(b) *In the administration of a decedent's estate or an asset becoming subject to a trust by reason of a will:*

(1) *receipts due but not paid at the date of death of the decedent are principal;*

(2) *receipts in the form of periodic payments (other than corporate distributions to stockholders), including rent, ground rents, interest, or annuities, not due at the date of the death of the decedent shall be treated as accruing from day to day. That portion of the receipt accruing before the date of death is principal, and the balance is income.*

(c) *In all other cases, any receipt from an income producing asset is income even though the receipt was earned or accrued in whole or in part before the date when the asset became subject to the trust.*

(d) *On termination of an income interest, the income beneficiary whose interest is terminated, or his estate, is entitled to:*

(1) *income undistributed on the date of termination;*

(2) *income due but not paid to the trustee on the date of termination;*